

**STATE OF NEW MEXICO
WORKERS' COMPENSATION ADMINISTRATION**

**IN THE MATTER OF THE ADOPTION OF THE
2017 HEALTH CARE PROVIDER FEE SCHEDULE**

FEE SCHEDULE ORDER

THIS ORDER is issued pursuant to NMSA 1978, Section 52-5-4(A) (1990), and 11.4.7.9(A)(1) NMAC. It is intended to further the purpose of 11 NMAC, Part 7, to establish a system of maximum allowable fees and reimbursements for health care services and related non-clinical services provided by all health care providers, to establish billing dispute procedures, and to establish the procedures for cost containment.

1. The proposed Health Care Provider Fee Schedule was released for public inspection on or about October 03, 2016.

2. A hearing was conducted on October 19, 2016 to accept public comment.

3. Written public comment was accepted through November 02, 2016.

4. The following methods were used to determine the maximum allowable amounts for the 2017 New Mexico Workers' Compensation Health Care Provider Fee Schedule:

- If a new CPT or procedure established by the American Medical Association (AMA) has a Regional 60th Percentile rate, the January 2017 Health Care Provider Fee Schedule will integrate the new CPT at that price.
- If a new procedure is established by AMA 2016 and does not have a Regional 60th Percentile rate, the January 2017 Health Care Provider Fee Schedule amount will be assigned a BR (By Report) status.
- If a current schedule amount for an established procedure fell below the Regional 60th percentile rate, the January 2017 Health Care Provider Fee Schedule amount will be adjusted to the Regional 60th Percentile rate.
- If a current procedure amount (used through 2015) exceeded the Regional

80th Percentile, the January 2017 Health Care Provider Fee Schedule will lower those amounts to the Regional 80th Percentile rate.

- The other current procedures with their respective amounts that did not fall within the categories above will be carried forward into the January 2017 schedule.

5. The following methods were used to determine the 2017 Hospital Assigned Ratio:

- New hospitals are assigned a ratio of 0.67 in accordance with 11.4.7.9(B)(1) NMAC.
- Established hospitals that failed to submit their annual HCFA/CMS 2252 G-2 worksheet in accordance with 11.4.7.9(B)(3) NMAC are assigned a ratio equal to the minimum ratio for all listed hospitals.
- Established hospitals that submitted their annual HCFA/CMS 2252 G-2 worksheet are assigned a “cost-to-charge” ratio, provided that the 2017 assigned hospital ratio reduction will not exceed ten percentage points from the prior year’s ratio.

6. The Director’s response to public comment is attached hereto as Exhibit A.

7. The Health Care Provider Fee Schedule appended to this Order and incorporated herein is adopted on December 1, 2016, with an effective date of January 1, 2017.

8. The following are specifically adopted pursuant to 11.4.7.9 NMAC and incorporated by reference as if fully set forth herein: Current Procedural Terminology (CPT) code, as defined in 11.4.7.7(M) NMAC, which is derived from the CPT 2017, Professional Edition, Copyright 2016, by the American Medical Association (AMA) (hereinafter, "CPT 2016"). CPT 2016 is a listing of descriptive terms, numeric and alphanumeric identifying codes and modifiers for reporting medical services and procedures performed by physicians, which is copyrighted by the AMA.

9. This Order in no way alters, or intends to alter, any of the Rules of the WCA already in place. To the extent that there is a conflict between the rules, the more specific shall apply.

IT IS SO ORDERED.



DARIN A. CHILDERS, Director
New Mexico Workers' Compensation Administration

Issued: December 1, 2016